

STRATEGIC CHOICES

The 1998 Executive Proposed Budget provides \$2.5 billion from all County fund sources to support the critical regional and local services required by the citizens of King County. It continues to maintain the high quality of services provided by King County and promotes several initiatives that respond to priorities identified by the public, including:

- ◆ increasing the number of police officers directed to reactive patrol, domestic violence, youth crime, and community policing;
- ◆ investing in the economic development of the region by promoting welfare-to-work strategies--affordable housing, and improvements to our transportation system;
- ◆ meeting the needs of a growing population by expanding athletic field capacity to over 100 fields by acquiring sites, constructing new facilities and improving existing fields over the next six years; and,
- ◆ providing modest levels of property tax relief and demonstrating a commitment to an efficient county government.

This budget meets the demand for criminal justice services by continuing to invest in police, jails, prosecuting attorney, and youth services. This investment will be focused on fighting crime in those areas of highest priorities: among our youth, family and domestic violence, and community policing. This budget will increase reactive patrol in unincorporated areas, and expand police contract services with suburban cities. In 1998, we will open two additional units at the new Regional Justice Center in Kent; open three new police storefronts creating a greater police presence in our unincorporated communities; establish a Family and Domestic Violence Intervention Unit in the Department of Public Safety, including the addition of two new domestic violence detectives, an additional sexual predator detective, and a sergeant to supervise the unit; add six new deputy prosecuting attorneys to handle the increasing number of domestic violence cases and youth offender cases; and initiate a new day detention program as an alternative to incarceration of juveniles who do not pose a threat to community safety.

Our regional economy is booming and unemployment is at an all time low. Yet, many low income persons are not participating in these economic good times. King County must join with the business community and other governments to find ways to create a bridge between welfare and work. Our goal is to make those who are dependent independent. This budget expands on the initiatives we began earlier this year to invest in the development of our work force, linking many of those served through our human services network with businesses that are looking for workers. For these efforts to be successful, we must also invest in those support services that make work successful - education and skills training, affordable day care services for children, and access to reliable transportation. This budget supports each of these critical components of a successful transition to economic independence.

The budget also meets the demand for other critical services. First, it includes 118 employees added to provide additional transit services throughout the County, in line with the vision of the Six-Year Transit Plan. Next, to meet the needs of our customers, we have added 31 new positions in the Department of Development and Environmental Services to meet the demand created by the increase in building activity; 29 new positions are added in the Department of Natural Resources;

and 122 new or converted positions in the Seattle-King County Department of Public Health. We have added positions only where necessary to provide services required by the public, other agencies, local governments and businesses.

BUDGET CHALLENGES

The Current Expense Fund Budget for 1998 is the first year of a three-year financial plan, providing a view of both short and longer-term requirements. In developing the 1998 budget and the three-year financial plan, there were several significant challenges:

Improving Police Services. This budget makes public safety a priority in 1998. Next year, we will establish a Family and Domestic Violence Intervention Unit in the Department of Public Safety, including the addition of two new domestic violence detectives, an additional sexual predator detective, and a sergeant to supervise the unit. The 1998 budget increases reactive patrol in unincorporated areas, and expands our contracting with suburban cities to provide police services. These increases are partially supported by new federal grants. In 1998 we will also open three new police storefronts in unincorporated King County in Briarwood, Cottage Lake, and Fall City.

Transportation. The 1998 budget responds to several critical transportation concerns for the region related to growth and the overall quality of life. This budget addresses the growing demand for transit services by increasing services in 1998 as part of the Six-Year Transit Plan adopted in 1995. Paratransit service and other special transit programs will continue to expand in 1998. The 1998 budget for the Roads Division will significantly enhance our ability to move ahead with critical road improvements and reduce the backlog of projects. If the Council approves the more flexible budgeting procedures proposed in the 1998 Capital Plan, the Roads Division will be able to reallocate funds from stalled projects to those that are ready to go 1998 and future years. Efficient transportation of people and goods is essential to our economic vitality. King County will continue to provide a leadership role in promoting coordinated surface transportation planning, including freight mobility, in support of both economic and growth management goals.

Economic Development. This budget makes significant commitments to assuring the continued growth of our regional economy. King County is experiencing an all time low unemployment rate. Many businesses face a shortage of qualified, job-ready applicants. Meanwhile, the federal government and Washington State have reformed our welfare system to emphasize work. King County can play a critical role in preparing, supporting and linking low income citizens who need jobs with businesses paying livable wage jobs. This budget proposes a King County Jobs Initiative that builds upon the efforts we launched earlier this year to promote the transition from welfare to work. It also coordinates the efforts of human services providers and our transit services to support this workforce development initiative.

Housing. Local government, in partnership with many others, has an important role to play in providing housing for the less fortunate in our community. This budget will increase funding to the Housing Opportunity Fund (HOF) by \$1 million in 1998 for a total of \$2.3 million. These funds leverage other federal and state dollars to provide housing to persons at less than eighty percent of the median income. An additional \$500,000 is pledged in 1998 to fund the

development of affordable housing; housing for working families who don't qualify for subsidized housing assistance, but who don't earn enough to purchase modest, entry level housing.

Regional Justice Center. In 1998, Current Expense Fund expenditures for operation of the Regional Justice Center will grow by almost \$6 million to more than \$14.6 million. Contributions from the Criminal Justice Fund, which will continue for two more years, will support the RJC with \$7.7 million in 1998. In 1999 and 2000, the Criminal Justice Fund contributions are reduced to \$3.3 and \$2.5 million as the reserves are depleted. The 1998 Budget proposes opening two new units at the RJC. One unit will be used to house detainees of the US Immigration and Naturalization Service under a contract that covers all operating costs. The second unit will be opened to meet increased population pressures as the average daily population rates of both jails grow due primarily to increases in the average length of stay rather than increased bookings.

Kingdome. Earlier this year, the voters of Washington approved a measure to build a new open air football/soccer stadium. This measure provides for the refinancing of existing Kingdome debt, including the Current Expense Fund annual debt service of \$5.2 million for the roof repairs. The Kingdome will continue to operate through the 1999 season. Many factors will influence the financial picture of the Kingdome over its remaining life. Currently, it is assumed that the Mariner's will vacate the Kingdome midway through the 1999 season when their new ballpark is completed. Construction of the new baseball stadium and exhibition facility in 1998 and 1999 will cause disruptions and could have significant impacts on Kingdome revenues. These circumstances make it very likely that the Current Expense Fund will need to subsidize operations of the Kingdome during its final year of operation. The three year financial plan provides for this likelihood.

Maintain our Commitment to Human Services. The preservation of health and human services for the most needy and vulnerable citizens throughout King County is a challenge we have not turned away from in this budget. As a result, the 1998 Budget retains current levels of service in human services and expands public health services, primarily through federal and state grant funds.

GOVERNANCE TRANSITION

- ◆ The 36 Suburban Cities now contain 43 percent of King County's population (701,600 people). The combined cities' population is larger than the City of Seattle (536,000) and much larger than the unincorporated County (408,000). This represents a dramatic shift of constituencies in a county previously dominated by Seattle and unincorporated King County.
- ◆ The revenue impacts of annexation and incorporation exceed the population impact on unincorporated King County. Many annexed areas and new cities have a commercial tax base, leaving the remaining unincorporated areas as residential communities which demand services but do not generate as much tax revenue.
- ◆ In 1997, two new cities incorporated, Covington and Maple Valley. King County entered into municipal service agreements with those new cities. The service contracts help offset the loss of sales tax and other revenues which now accrue to the new cities.

- ◆ As the County's role in regional services expands, revenues in support of all County services are shrinking. The operating costs of the Regional Justice Center, the need to expand detention facilities for youthful offenders, and proposed creation of a third justice center on the Eastside after the turn of the century are among the challenges facing the County.

RATES AND FEES

King County's enterprise agencies adjust fees occasionally to keep pace with the market, while other agencies face a shrinking tax base and so propose modest fee increases. These are necessary to maintain current levels of service in our community. While these increases are necessary, they are below the rate of inflation and are user-based rather than broad tax increases. Rate and fee increases for 1998 include the following:

- ◆ The 1998 budget provides for a modest bus fare increase, the first increase since 1993. The existing rate structure will be maintained and existing fares will be rounded to the nearest quarter. This increase is below the rate of inflation over the same time period.
- ◆ Environmental health fees are proposed to increase modestly in 1998 for the first time in three years. Fee increases are proposed in water plan review, operations checks, subdivision fees, food plan review, plumbing permits, gas piping permits, water review board fees, anti-corrosion equipment fees, and noise variance revenue accounts. All of these increases are below the rate of inflation.
- ◆ A marriage license fee increase from \$37 to \$52 is proposed to raise an additional \$210,000 to support expanded Family Support programs. The revenue will be used to support at-risk families and will fund projects that follow family support principles such as parent education, home visiting, and family support centers.
- ◆ Animal license fees are proposed to increase from \$10 to \$15 per year, bringing King County licensing fees in line with the City of Seattle and other city fees. This is hoped to be the first of several steps that might lead to a regional approach to animal control.

Regional Finance and Governance

Last year, the County, the Cities and the Special Districts agreed to undertake some of the hardest work of the Growth Management process by sitting down and negotiating in good faith on which governments should deliver which services, and how those services can be paid for. Throughout 1997, the Regional Finance and Governance Oversight Committee has worked on these problems, and agreement on partial answers seems to be within our grasp. Among the subjects we are discussing are human services, swimming pools, the Woodland Park Zoo and animal control. Potentially the most important subject is how to reach the growth management goal of all urban areas being part of a city, and the County becoming a true regional service provider.